

UNITED STATES PATENT AND TRADEMARK OFFICE

**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Ex parte PHILLIP WHITE

Appeal No. 2002-1469
Application No. 09/317,110

HEARD: Feb. 11, 2003

Before THOMAS, BARRY, AND LEVY, *Administrative Patent Judges*.
BARRY, *Administrative Patent Judge*.

DECISION ON APPEAL

A patent examiner rejected claims 1-32. The appellant appeals therefrom under 35 U.S.C. § 134(a). We affirm.

BACKGROUND

The invention at issue on appeal concerns computers used in a retail store environment. Figure 1 of the appellant's specification shows his perception of "a conventional retail store environment. . . ." (Spec. at 1.) Such an environment features a store point-of-sale ("POS") controller 10, a bus 12, and cash registers 14. (*Id.*) According to the appellant, when an item having a discount coupon associated

therewith is not in stock, the conventional store environment does not print a "raincheck." (*Id.* at 2.) A raincheck allows a customer to exercise the discount coupons in the future when the item is in stock. (*Id.*)

In contrast, the appellant's invention adds to the conventional store environment an incentive processor and an incentive printer. (*Id.*) More specifically, a cash register receives data identifying an item subject to a raincheck and transmits the data to the incentive processor. (*Id.* at 2-3.) Upon receipt thereof, the incentive processor generates raincheck data and transmits the raincheck data to the incentive printer. The incentive printer then prints a raincheck. (*Id.* at 3.) In summary, the invention allows a customer to receive the benefit of a discount coupon when the associated item is later in stock. (*Id.* at 6.)

A further understanding of the invention can be achieved by reading the following claim.

9. A process for providing in-store printing of rainchecks for purchasing incentives associated with items subject to rainchecks, comprising:

storing a plurality of purchasing incentives corresponding to a plurality of item identifiers for items subject to rainchecks via an incentive processor;

coupling said incentive processor to at least one incentive printer via an incentive processor bus;

coupling a point-of-sale (POS) controller, at least one cash register, and said incentive processor via a POS bus;

receiving at a respective cash register of said at least one cash register data defining an item identifier for an item that is subject to a raincheck;

transmitting from one of said POS controller and said respective cash register said data defining said item identifier for said item that is subject to said raincheck over said POS bus to said incentive processor;

generating at said incentive processor raincheck information including at least one purchasing incentive in response to receipt of said data defining said item identifier for said item subject to said raincheck, said plurality purchasing incentives, and said plurality of item identifiers;

transmitting from said incentive processor said raincheck information to a respective incentive printer of said at least one incentive printer over said incentive processor bus; and

printing at said respective incentive printer a raincheck including said at least one purchasing incentive in response to receipt of said raincheck information received from said incentive processor.

Claims 1-32 stand rejected under 35 U.S.C. § 103(a) as obvious over U.S. Patent No. 5,612,868 ("Off") and U.S. Patent No. 5,905,246 ("Fajkowski").

OPINION

Our opinion addresses the rejections of the following groups of claims:

- claims 1, 9, 17, and 25
- claims 2-4, 7, 8, 10-12, 15, 16, 19-20, 23, 24, 26-28, 31, and 32
- claims 5, 6, 13, 14, 21, 22, 29, and 30.

Claims 1, 9, 17, and 25

At the outset, we recall that claims that are not argued separately stand or fall together. *In re Kaslow*, 707 F.2d 1366, 1376, 217 USPQ 1089, 1096 (Fed. Cir. 1983) (citing *In re Burckel*, 592 F.2d 1175, 201 USPQ 67 (CCPA 1979)). Here, the appellant argues claims 1, 9, 17, and 25 as a group. (Appeal Br. at 6, 11-12.) Therefore, claims 1, 17, and 25 stand or fall with representative claim 9.

With this representation in mind, rather than reiterate the positions of the examiner or the appellant *in toto*, we address the two points of contention therebetween. First, the examiner asserts, "[r]ainchecking allows the customers to use the coupon after its expiration date. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to add a raincheck mark or flag to the coupons of the Off et al system as lines 39-46 of column 20 of Fajkowski shows." (Examiner's Answer at 7.) The appellant argues, "this suggestion to add the raincheck feature of the coupon management and redemption apparatus and method of Fajkowski to the method and apparatus of dispensing discount coupons of Off et al is not found in the prior art itself. " (Appeal Br. at 10.)

"The presence or absence of a motivation to combine references in an obviousness determination is a pure question of fact." *In re Gartside*, 203 F3d 1305,

1316, 53 USPQ2d 1769, 1776 (Fed. Cir. 2000) (citing *In re Dembiczak*, 175 F.3d 994, 1000, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999). "[T]he question is whether there is something in the prior art as a whole to suggest the desirability, and thus the obviousness, of making the combination." *In re Beattie*, 974 F.2d 1309, 1311-12, 24 USPQ2d 1040, 1042 (Fed. Cir. 1992) (quoting *Lindemann Maschinenfabrik GMBH v. American Hoist & Derrick Co.*, 730 F.2d 1452, 1462, 221 USPQ 481, 488 (Fed. Cir. 1984)). "[E]vidence of a suggestion, teaching, or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved. . . ." *Dembiczak*, 175 F.3d at 999, 50 USPQ2d at 1617 (citing *Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568, 1573, 37 USPQ2d 1626, 1630 (Fed. Cir. 1996); *Para-Ordnance Mfg. v. SGS Imports Int'l, Inc.*, 73 F.3d 1085, 1088, 37 USPQ2d 1237, 1240 (Fed. Cir. 1995)).

Here, we find that evidence of a suggestion, teaching, or motivation to combine flows from the references themselves. Off's "invention relates to point-of-sale systems capable of handling discount coupons." Col. 1, ll. 22-23. Although the reference does not mention generating rainchecks for its coupons in describing "a specific embodiment of [its] invention," col. 14, ll. 19-20, we find that Off invites modifications thereto. To wit, the reference asserts that "various modifications may be made. . . ." Col. 14, l. 22.

For its part, Fajkowski teaches "the 'rainchecking' of coupons." Col. 20, ll. 34-35. More specifically, "[r]ainchecking a coupon occurs when an item covered by a coupon is out of stock and the coupon will expire before the store can restock the item." *Id.* at ll. 35-37. The reference also discloses the desirability of such rainchecking. To wit, "[r]ainchecking allows a customer to utilize the coupon after its expiration date." *Id.* at ll. 37-38. Furthermore, Fajkowski's method of rainchecking "significantly increases the speed and efficiency of the redemption process as compared with the prior art." Col. 21, ll. 53-54. "This comprehensive method . . . will save shoppers and store cashiers significant amounts of time. . . . By increasing the transactional speed of the coupon redeeming procedure, the [reference's] invention greatly increases the front-end productivity of a retail store. Existing cashiers will be able to checkout a higher volume of customers without personnel performing other necessary tasks in the store being forced to man additional cash registers." *Id.* at ll. 57-67. Because Off invites modifications to its embodiment, and Fajkowski teaches desirability of rainchecking, we find that the combined teachings of the references would have suggested adding rainchecking to Off's POS system.

Second, the appellant argues, "[t]o combine with Off et al the incentive processor of Fajkowski would now require the intervention by the customer, in participating in the

coupon selection and raincheck generation process, rendering Off et al unsatisfactory for its intended purpose." (Appeal Br. at 10.)

The U.S. Court of Appeals for the Federal Circuit "has previously found a proposed modification inappropriate for an obviousness inquiry when the modification rendered the prior art reference inoperable for its intended purpose." *In re Fritch*, 972 F.2d 1260, **126? n.?**, 23 USPQ2d 1780, 1783 n.12 (Fed. Cir. 1992) (citing *In re Gordon*, 733 F.2d 900, 902, 221 USPQ 1125, 1127 (Fed. Cir. 1984)). Here, Off's POS system is intended to "generat[e], in a retail store, a printable discount coupon image, solely in response to a customer's action concerning the purchase of an item." Col. 2, ll. 11-14. More specifically, the "generation of a discount coupon for a selected product will be triggered by a customer's action concerning the purchase of a triggering product different from the one for which the coupon is generated. . . ." *Id.* at ll. 22-25. The appellant fails to show that adding Fajkowski's rainchecking or incentive processor to Off's POS system would have rendered the latter reference unable to generate a printable coupon responsive to a customer's purchase of a triggering product different from the one for which the coupon is generated. To the contrary, we are persuaded that the combination of teachings from the references would be able to both generate a printable coupon responsive to a customer's purchase of a triggering product and to

raincheck a coupon. Therefore, we affirm the rejection of claim 9 and of claims 1, 17, and 25, which fall therewith.

Claims 2-4, 7, 8, 10-12, 15, 16, 18-20, 23, 24, 26-28, 31, and 32

At the outset, we note that the appellant argues claims 2, 10, 18, and 26 as a group. (Appeal Br. at 6, 12-13.) Furthermore, we recall that "[m]erely pointing out differences in what the claims cover is not an argument as to why the claims are separately patentable." 37 C.F.R. § 1.192(c)(7). Although the appellant points out differences in what claims 3, 4, 7, 8, 11, 12, 15, 16, 19-20, 23, 24, 27, 28, 31, and 32 cover, (*id.* at 7), this is not an argument why the claims are separately patentable. Therefore, claims 2- 4, 7, 8, 11, 12, 15, 16, 18-20, 23, 24, 26-28, 31, and 32 stand or fall with representative claim 10.

With this representation in mind, we address the main point of contention between the examiner and the appellant. The examiner asserts, "connecting the Fajkowski server 200 to the POS bus of the Off et al invention would be an obvious feature as the server 200 is performing similar, functions as the Host computer 16," (Examiner's Answer at 20), for the following reasons:

The Fajkowski server 200 would be networked to all the periphery devices in the store and would compile information from the peripheries concerning what coupons have been redeemed. Using this information, a program in the server would generate detailed reports for the store

management concerning factors such as the total amount of each manufacturer's coupons redeemed (i.e. the amount the manufacturer should reimburse the retailer), the number of inappropriate coupons redeemed by overriding, and the number of coupons overridden by each cashier (see column 4, lines 64-67 - column 5, lines 1-14).

(*Id.*) The appellant argues, "adding the proposed incentive processor (i.e. server 200) of Fajkowski which contains a clearinghouse 300 to Off et al. . . is not suggested by Off et al or Fajowski [sic]." (Appeal Br. at 12.)

We find that evidence of a suggestion, teaching, or motivation to combine flows from the references themselves. Although Off does not mention using Fajkowski's local server in describing a specific embodiment of its invention, the reference invites modifications to its embodiment as mentioned regarding the first group of claims that we addressed.

For its part, Fajkowski teaches "a server computer or server 200." Col. 22, l. 11. "One function of server 200 will be to collect from all periphery devices 100 the data related to the volume of coupons redeemed by the periphery device 100. This redeemed coupon data will be used, in part, to create coupon redemption reports for the retail outlet in which server 200 is stationed." *Id.* at ll. 18-23. The reference also discloses the desirability of such reporting. Generally, "the server may generate detailed reports for the store management concerning factors such as the total amount

of each manufacturer's coupons redeemed (i.e. the amount the manufacturer should reimburse the retailer), the number of inappropriate coupons redeemed by overriding, and the number of coupons overridden by each cashier. The server can organize the information on redeemed coupons in any number of ways to accommodate the special needs of the particular store." Col. 5, ll. 2-9. Specifically, "the report information regarding overrides and misredemptions is an important factor in attempting to limit fraudulent redemptions. By providing the retail store with exact data on when and on what cash register inappropriate coupons were redeemed, the store management can determine whether a cashier is properly accepting a limited number of inappropriate coupons as a customer service gesture or whether a cashier is frequently using the override process for possibly fraudulent purposes." Col. 22, ll. 35-45. Furthermore, "[a]dditional reports could provide the store with detailed information on analysis of misredemption increases or decreases as compared to prior week(s), or an analysis of coupon traffic by shift." *Id.* at ll. 45-48. Because Off invites modifications to its embodiment, and Fajkowski teaches desirability of the reporting operation of its server, we find that the combined teachings of the references would have suggested adding the server to Off's POS system. Therefore, we affirm the rejection of claim 10 and of claims 2-4, 7, 8, 11, 12, 15, 16, 18-20, 23, 24, 26-28, 31, and 32, which fall therewith.

Claims 5, 6, 13, 14, 21, 22, 29, and 30

At the outset, we note that the appellant argues claims 5, 13, 21, and 29 as a group. (Appeal Br. at 6, 15.) Although he points out differences in what claims 5, 6, 13, 14, 21, 22, 29, and 30 cover, (*id.* at 15-16), moreover, this is not an argument why the claims are separately patentable. Therefore, claims 5, 6, 14, 21, 22, 29, and 30 stand or fall with representative claim 13.

With this representation in mind, we address the main point of contention between the examiner and the appellant. The examiner asserts, "Fajkowski shows: 'said at least one purchasing incentive comprises one of a token and a discount coupon' (see column 20, line 34-38). . . ." (Examiner's Answer at 15.) The appellant argues, "[a]dding the feature that the raincheck would be a discount coupon or a token is not taught or suggested by Off et al or Fajowski [sic]." (Appeal Br. at 15.)

"Analysis begins with a key legal question -- *what* is the invention *claimed*?" *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1567, 1 USPQ2d 1593, 1597 (Fed. Cir. 1987). In answering the question, "the Board must give claims their broadest reasonable construction. . . ." *In re Hyatt*, 211 F.3d 1367, 1372, 54 USPQ2d 1664, 1668 (Fed. Cir. 2000). "Moreover, limitations are not to be read into the claims from the specification." *In re Van Geuns*, 988 F.2d 1181, 1184, 26 USPQ2d 1057, 1059 (Fed.

Cir. 1993) (citing *In re Zletz*, 893 F.2d 319, 321, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989)).

Here, claim 13 specifies in pertinent part the following limitations: "said at least one purchasing incentive comprises **one of** a token and a discount coupon. . . ." (Emphasis added.) Giving the representative claim its broadest, reasonable construction, the limitations require that a raincheck be for a discount coupon **or** for a token. The limitations do not require that the raincheck be for both a discount coupon and a token.

Having determined what subject matter is being claimed, the next inquiry is whether the subject matter would have been obvious. The question of obviousness is "based on underlying factual determinations including . . . what th[e] prior art teaches explicitly and inherently. . . ." *In re Zurko*, 258 F.3d 1379, 1386, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17-18, 148 USPQ 459, 467 (1966); *In re Dembiczak*, 175 F.3d 994, 998, 50 USPQ 1614, 1616 (Fed. Cir. 1999); *In re Napier*, 55 F.3d 610, 613, 34 USPQ2d 1782, 1784 (Fed. Cir. 1995)). "A *prima facie* case of obviousness is established when the teachings from the prior art itself would . . . have suggested the claimed subject matter to a person of ordinary skill

in the art." *In re Bell*, 991 F.2d 781, 783, 26 USPQ2d 1529, 1531 (Fed. Cir. 1993) (quoting *In re Rinehart*, 531 F.2d 1048, 1051, 189 USPQ 143, 147 (CCPA 1976)).

Here, Fajkowski teaches rainchecking as mentioned regarding the first group of claims that we addressed. We find that the reference further teaches that its raincheck is for a discount coupon. Specifically, "[r]ainchecking allows a customer to utilize the coupon after its expiration date." Col. 20, ll. 37-38. Therefore, we affirm the rejection of claim 13 and of claims 5, 6, 14, 21, 22, 29, and 30, which fall therewith.

CONCLUSION

In summary, the rejection of claims 1-32 under § 103(a) is affirmed. "Any arguments or authorities not included in the brief will be refused consideration by the Board of Patent Appeals and Interferences. . . ." 37 C.F.R. § 1.192(a)(2002). Accordingly, our affirmance is based only on the arguments made in the briefs. Any arguments or authorities not included therein are neither before us nor at issue but are considered waived. No time for taking any action connected with this appeal may be extended under 37 C.F.R. § 1.136(a).

AFFIRMED

JAMES D. THOMAS
Administrative Patent Judge

LANCE LEONARD BARRY
Administrative Patent Judge

STUART S. LEVY
Administrative Patent Judge

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